

**MINUTES**  
**MONTANA HISTORICAL SOCIETY**  
**SPECIAL BOARD OF TRUSTEES MEETING**  
**CAPITAL CAMPAIGN FEASIBILITY STUDY REPORT**  
**DECEMBER 17, 2010**  
**Auditorium at MHS, Helena, Montana**

**Montana Historical Society Board of Trustees members present:** Jim Utterback, Sharon Lincoln, Ed Smith, Lee Rostad, Kent Kleinkopf, Jim Court, Janene Caywood, Crystal Shors, Thomas Nygard, Bob Brown and John Lepley. Board Member Emeritus Bob Morgan was also present. **Excused from the meeting were:** MHS Board of Trustee members Jim Murry, Steve Lozar, Steve Carney and Shirley Groff.

**Staff present:** MHS Interim Director, Mike Cooney; MHS Administrative Assistant, Renee Podell; MHS Centralized Services Administrator, Denise King; MHS Membership Coordinator, Rebecca Baumann; MHS Research Center Manager, Molly Kruckenberg; MHS Public Relations Coordinator, Tom Cook; MHS and Special Projects Manager Susan Near.

**Guests present:** Benefactor Group Consultant Laura MacDonald, Montana History Foundation Executive Director Amy Sullivan and Montana History Foundation Development Officer Peter Hunter, Independent Record Reporter Sanjay Talwani, Legislative Fiscal Division Pam Joehler, Department of Administration Joe Triem and Patti Jacques, private citizen.

**CALL TO ORDER**

Vice President Jim Utterback called the meeting to order at 9:00 a.m.

**DISTRIBUTION OF HANDOUT**

Mike Cooney distributed a handout titled "Department Directors, Boards, Commissions, Advisory councils', Legislative Communications Policy Handbook" from Governor Schweitzer's Administration (which has been made a permanent part of the record).

**INTRODUCTION OF NEW BOARD MEMBER**

Vice President Utterback introduced new Board member Bob Brown.

**BENEFACTOR GROUP REPORT**

Laura MacDonald stated that the Benefactor Group was retained to realize a dream and she presented a power point presentation of the Group's findings (which is made a part of the permanent record). She noted that the feasibility study for the Montana Historical Society evaluated the support and requirements for a capital campaign and presented an executive summary (the executive summary is made a part of the permanent record). Laura noted that 27 interviews were conducted throughout the State of Montana. The Benefactor Group reported

that interviewees across the state view the Society as an organization that is worthy of philanthropic investment.

Laura said there was no question from the public about the appropriateness of the facility in Helena but there needs to be further education on how the selected site will accommodate traffic, parking, egress and regress as a result of this expansion. She further stated there is a strong case for support and there is the potential to make it even stronger by sharing the return on this investment to help benefit the citizens of Montana.

This feasibility study tested the potential for a \$37.5 million campaign. Though many interviewees are enthusiastic about the plans, the study did not reveal sufficient pacesetting gifts at this time for a campaign of this size. Laura presented proposals to assist the society in preparing for a campaign that will meet its fundraising objectives.

Bob Brown asked Laura who the 27 interviewees were. Laura responded that the list is attached to the final written report. They are business and civic leaders identified by the Board and staff because they had the capacity to give from their personal resources or from the resources of one of the enterprises they are associated with or because they could influence the gift of others. People interviewed also provided other names.

Laura noted it was Benefactor Group's recommendation that the MHS prepare for a campaign with multiple phases: the goal of the first phase will be to raise \$7.5 million to match public support and initiate the renovation and expansion of facilities. She outlined the early phase, the preparatory phase and the public phase (or celebratory phase) of the campaign.

Thomas Nygard questioned Laura regarding the funding of the campaign. Laura stated Benefactor Group will be putting together a proposed campaign budget as part of the next phase of work. She stated that typically for a campaign of this magnitude it costs 5 to 8 cents to raise one dollar.

Janene Caywood questioned Laura about the hiring of a full time fundraiser. Laura stated a professional fundraiser isn't required. What is required is a person with social and political intelligence and with absolute discretion. The hiring of this position would be left to the Director. Jim Court asked Mike Cooney if the FTE's currently on staff allow for this type of staffing. Mike responded that there are five positions vacant at this time for vacancy savings purposes so this hurdle is something that will have to be addressed perhaps this Legislative session.

Lee Rostad strongly suggested now is the time to get started.

Jim Utterback emphasized that this Board has never engaged in trying to raise money for this campaign.

Mike Cooney explained that there are two proposals being considered in this Legislative session which may involve the MHS. One proposal is a bonding proposal that is addressing the Heritage Center for around \$30 million dollars and is being proposed by State Representative Menahan. There is also a bonding package that is currently being developed in bill draft form from Senator Carol Williams. The package would likely include some additional bonding authority for the Heritage Center as well as perhaps some educational facilities. Mike said it will take some time to see where these proposals end up because they usually are resolved at the end of the Legislature. Laura said the good news is that people will be talking about the Heritage Center.

Laura said the next step in the campaign is for the Board to decide how they want to proceed. Vice President Utterback called for public comment.

### **PUBLIC COMMENT**

Joe Triem asked Laura how to incorporate naming opportunities into donor recognition. Laura explained the Board will set the various naming opportunities. She emphasized the importance of including endowment for maintenance of the building. Mike Cooney stated that Senator Lewis carried a bill that addressed specifically the Heritage Center and gave it a separate status so that naming opportunities would be available.

Patti Jacques asked if \$15 million was already raised or if that amount needed to be raised. Laura stated some gifts have been made to the campaign noting that the state invested \$7.5 million dollars worth of bonding authority.

Jim Court asked if it's possible to use private funding to hire a fundraising person. Mike Cooney answered that it was possible on a modified or contract basis.

Jim Utterback noted that he envisions the Board getting Mike Cooney to appoint a committee of Board people to work on questions Benefactor Group has raised from the report. He said he hopes the findings can be ready for the next Board meeting in order for the Board to start working on getting things done. Jim Utterback announced that Pete Johnson, President of American Federal, has been asked to head up a local Helena campaign while the Legislative session is going on to raise a million dollars.

### **NEXT MEETING**

Jim Court stated he recommends having the next Board meeting on the 18<sup>th</sup> or 19<sup>th</sup> of January in conjunction with the Historical Society's reception for Legislators. **Sharon Lincoln moved to hold the next Board Meeting on Wednesday, January 19, 2011 at 8:00 a.m. in the MHS Auditorium. Crystal Shors seconded the motion and it carried.**

### **Adjournment:**

The meeting adjourned at 10:20 a.m.